

SMITH, GAMBRELL & RUSSELL, LLP
Suite 3100, Promenade II
1230 Peachtree Street, NE
Atlanta, Georgia 30308
(404) 815-3500
(404) 815-3509
bellis-monro@sgrlaw.com
Barbara Ellis-Monro (BEM 8615)
(Admitted *Pro Hac Vice*)

Attorneys for Fraenkische USA, LP

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	:	
	:	Chapter 11
In re	:	
	:	Case No. 05-44481 (RDD)
DELPHI CORPORATION, et. al.,	:	
	:	(Jointly Administered)
Debtor.	:	
-----X	:	

**RESPONSE AND OBJECTION TO MOTION FOR ORDER PURSUANT
TO 11 U.S.C. §105 AND 502(c) ESTIMATING OR PROVISIONALLY
ALLOWING CERTAIN UNRECONCILED CLAIMS SOLELY FOR
PURPOSES OF ADMINISTRATION OF DISCOUNT RIGHTS OFFERING**

Fraenkische USA, LP, a creditor and party in interest in the chapter 11 case of Delphi Automotive Systems, LLC. (“Debtor”), hereby responds and objects to the Debtors’ Motion For Order Pursuant To 11 U.S.C. §§ 105(a) and 502(c) Estimating Or Provisionally Allowing Certain Unreconciled Claims Solely For Purposes of Administration of Discount Rights Offering (the “Motion”) and specifically with respect to the Debtors proposed estimation and treatment of claim number 16511 filed by Fraenkische USA, LP (“Fraenkische”), and shows the Court as follows:

BACKGROUND

1. Fraenkische provided goods to the Debtor on open account prior to October 8, 2005 (the “Petition Date”).

2. Fraenkische timely filed its proof of claim in the amount of \$59,175.40 on June 8, 2006.

3. On or about June 15, 2007, the Debtors filed their Seventeenth Omnibus Objection (Substantive) Pursuant to 11 U.S.C. §052(b) and Fed.R.Bankr.P. 3007 To Certain (A) Insufficiently Documents Claims, (B) Claims Not Reflected On Debtors’ Books And Records, (C) Insurance Claim Not Reflected On Debtors’ Books And Records, (D) Untimely Claims And Untimely Tax Claims, And (E) Claims Subject To Modification, Tax Claims Subject to Modification, And Modified Claims Asserting Reclamation (the “Objection”) pursuant to which they sought to reduce Fraenkische’s claim to \$159.89.

4. Fraenkische filed its Response And Objection To Debtors’ Seventeenth Omnibus Claims Objection With Respect to Claim Number 16511 (the “Response”) on July 6, 2007.

5. A hearing on the Objection and the Response has not been scheduled by the Debtors.

6. In accordance with the Motion, the Debtors served a Notice of Motion on Fraenkische in which the Debtors propose to estimate Fraenkische’s claim at \$159.89 for purposes of determining Fraenkische’s entitlement to Discount Rights.

7. Subsequent to filing the Response and receipt of the Notice of Motion, Fraenkische has worked with the Debtors’ claims analysts to reach an agreement as to the allowed amount of Fraenkische’s claim.

8. The allowed amount of Fraenkische's claim, as agreed with the Debtors' claims analyst, exceeds the amount of the estimated claim proposed by the Debtor in its Notice of Motion.

9. Fraenkische further objects to the Motion to the extent that it seeks to allow Fraenkische to obtain Discounts Rights on an allowed claim of \$159.89 and not on the basis of the agreed allowed amount of its claim of \$32,056.78.

10. Fraenkische objects to the Motion to the extent that it does not provide for a reserve to allow claimants whose claims are as yet unresolved to receive additional Discount Rights if the claim is allowed in an amount which exceeds that which is proposed by the Debtors.¹

11. The issue before the Court does not represent a novel theory of law, thus Fraenkische requests that the requirement for the filing of a separate memorandum of law under Local Rule 9013-1(b) of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York be deemed satisfied.

WHEREFORE, Fraenkische prays the Court enter its order estimating Fraenkische's

¹ The Motion and proposed Order thereon provide for the return of Discount Rights if the amount of an estimated claim is less than that proposed by the Debtors, but fail to provide a mechanism through which claimants whose claims are finally allowed in an amount in excess of that proposed by the Debtors may obtain the additional Discount Rights to which the additional amounts allowed would entitle them.

claim number 16511 in the amount of \$32,056.78 and for such other and further relief as the court deems just and proper.

This 10th day of January, 2008.

Respectfully submitted,

SMITH, GAMBRELL & RUSSELL, LLP

/s/ Barbara Ellis-Monro

Barbara Ellis-Monro (BEM 8615)

Georgia Bar No. 246117

(admitted pro hac vice)

Attorneys for Fraenkische USA, LP

Suite 3100, 1230 Peachtree Street, NE
Atlanta, Georgia 30309
(404) 815-3500

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was forwarded by Federal

Express, addressed as follows:

Delphi Corporation

Attn: General Counsel

5725 Delphi Drive

Troy, Michigan 48098

Delphi Automotive Systems, LLC

Attn: Legal Staff

5725 Delphi Drive

Troy, Michigan 48098

John Wm. Butler, Jr.

John K. Lyons

Skadden, Arps, Slate, Meagher & Flom LLP

333 West Wacker Drive, Suite 2100

Chicago, Illinois 60606

Donald Bernstein

Brian Resnick

Davis Polk & Wardwell

450 Lexington Avenue

New York, New York 10017

Robert J. Rosenberg

Mark A. Broude

Latham & Watkins, LLP

885 Third Avenue

New York, New York 10022

Bonnie Steingart

Fried, Frank, Harris, Shriver & Jacobson,
LLP

One New York Plaza

New York, New York 10004

Alicia M. Leonhard

Office of the United States Trustee

33 Whitehall Street, Suite 2100

New York, New York 10004

This 10th day of January, 2008.

/s/ Barbara Ellis Monro

Barbara Ellis-Monro